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TO RUEHC/SECSTATE WASHDC 5210
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RUEHBR/AMEMBASSY BRASILIA 1001
RUEHCV/AMEMBASSY CARACAS 2168
RUEHPE/AMEMBASSY LIMA 6281
RUEHMN/AMEMBASSY MONTEVIDEO 4486
RUEHQD/AMEMBASSY QUITO 2490
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SUBJECT: CHILE MEDIA REPORT - JULY 14

July 13, 2009

Lead stories

[¶1.](#) Several Investigations Police detectives under investigation for their participation in a children's prostitution network have been reincorporated into the force, igniting controversy.

Chile-U.S. and Insulza

[¶2.](#) In answer to a request for an interview with Secretary Clinton on the alleged U.S. objection to Insulza's reelection to the OAS, the Department of State issued a statement through the U.S. Embassy that, "The United States does not publicly comment its internal deliberation on candidacies to international organizations." The statement adds that the United States "appreciates" the efforts of the OAS Secretary General "in creating the space to allow the current talks" with regard to Honduras. The statement, however, does not mention Insulza's actions with regard to Cuba, which is what has generated greatest controversy with the United States. Secretary Clinton's press office had said in a prior statement that, "The United States does not comment on the Secretary's private correspondence" (El Mercurio, 7/14).

[¶3.](#) In a meeting with the Madrid Club in La Moneda, Foreign Minister Mariano Fernandez reiterated that, "no U.S. official had said at any time that the USG does not support Insulza's candidacy to the OAS" (El Mercurio, 7/14).

[¶4.](#) Yesterday Bachelet said it was "absolutely false" that Secretary Clinton had notified her of Washington's position on the Insulza's reelection. She said that in their latest conversation they had not talked about the OAS and added, "The government of Chile has not received any official information with regard to this" (All dailies, 7/14).

[¶5.](#) The GOC is fully aware that relations between Washington and the OAS are tense because of Insulza's role in ending Cuba's exclusion from the OAS and his reaction to the coup in Honduras. Insulza said in answer to press reports about his reelection that, "The few sources that have a name are from right-wing people in the United States who oppose the U.S. government" (La Tercera, conservative, independent, 7/14).

[¶6.](#) Alvaro Vargas Llosa column: "Did the U.S. government tell Chile that it doesn't support Insulza's reelection to the OAS?.... It's unlikely that the United States would inform a close partner such as Chile of such a decision and with such anticipation.... The USG

responded to Insulza's questionable role in Honduras... by putting President Oscar Arias as a mediator. That's a much smarter way to react" (La Tercera, 7/14).

¶17. In a radio interview, Foreign Minister Mariano Fernandez said he "almost believes" that the controversy over Insulza and the OAS "has more to do with local politics," recalling that some here have also questioned Insulza's role in Honduras (La Segunda, 7/13).

¶18. Column by Foreign Minister Fernandez on Honduras: "A phenomenon has occurred that must be recorded in history.... The hemisphere has a unanimous and unified position against military coups.... and now believes that a government in power by force is unacceptable" (El Mercurio, 7/14).

¶19. Column by Juan Emilio Cheyre, Center for International Studies, Catholic University: "If there is one positive aspect of this crisis (Honduras) it's that the United States has channeled its concern through a regional organization (OAS) and Inter-American law, without being in the limelight or exercising hegemony.... The crisis has also made it evident that the region faces the challenge of dealing with questionable democracies, despite their legitimate arrival in power. And that is where the OAS and its secretary general must make true changes" (La Tercera, 7/14).

Chile-U.S.

¶10. Enthusiasm and excitement are the two words that best describe the day spent yesterday by crewmembers of the USS Kauffman and the children of the public school Centenario. This is the second year that Kauffman crewmembers visited the school, showing great affection for the students, who had a chance to practice their

English by listening to the sailor's stories. "Last year the crew not only helped the students with their English, they also painted and repaired the facilities and cut the children's hair. We are happy to receive them again," said Headmaster Daniel Moreno (Regional daily La Estrella de Arica, 7/11).

¶11. The Kauffman was greeted by local cowboys ("Huasos") and children in Arica. The ship has just concluded its participation in multinational naval exercises and its crew will participate in a series of activities, including baseball and basketball games with local teams (La Estrella de Arica, 7/10).

¶12. Wal-Mart announced that it would no longer buy Chilean salmon. Chile produced 600,000 tons of salmon last year, but this year will only produce an estimated 70,000 tons. The outbreak of the ISA virus has hurt the ability of local producers to fulfill the demand for its product abroad (All dailies, 7/14).

URBAN